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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

SUNBELT CHLOR ALKALI PARTNERSHIP)

Complainant,)

v.)

NORFOLK SOUTHERN RAILWAY COMPANY)

and)

UNION PACIFIC RAILROAD COMPANY)

Defendants.)

Docket No. NOR 42130

ENTERED
Office of Proceedings

AUG 15 2011

Part of
Public Record

UNION PACIFIC'S ANSWER

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August 15, 2011

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NORFOLK SOUTHERN RAILWAY COMPANY)

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UNION PACIFIC RAILROAD COMPANY)

Defendants.)

UNION PACIFIC'S ANSWER

Defendant Union Pacific Railroad Company ("UP") hereby answers the Complaint filed by complainant SunBelt Chlor Alkali Partnership ("SunBelt") in this proceeding. UP denies all of the allegations in the Complaint except where this Answer specifically states otherwise. UP responds to the allegations in each separately numbered paragraph of the Complaint as follows:

1. UP denies the allegations in Paragraph 1 because it lacks knowledge or information sufficient to form a belief as to their truth.

2. UP admits upon information and belief that Norfolk Southern Railway Company ("NS") is a Class I rail carrier with headquarters in Norfolk, Virginia, provides common carrier and contract service, engages in the transportation of property in interstate and intrastate commerce, and is subject to certain provisions of the Interstate Commerce Commission

Termination Act and, in certain circumstances, to the jurisdiction of the Surface Transportation Board ("STB").

3. UP admits that it is a Class I rail carrier with headquarters in Omaha, Nebraska, provides common carrier and contract service, engages in the transportation of property in interstate and intrastate commerce, and is subject to certain provisions of the Interstate Commerce Commission Termination Act and, in certain circumstances, to the jurisdiction of the STB.

4. The first sentence of Paragraph 4 consists of SunBelt's characterization of its claims to which no response is required. UP denies the allegation in the second sentence of Paragraph 4.

5. UP admits that NS transports chlorine traffic at issue in this proceeding from an origin at McIntosh, Alabama, to New Orleans, Louisiana, where the traffic is interchanged directly to UP. UP admits the allegation in the second sentence of Paragraph 5, but denies that the New Orleans Public Belt Railroad handles the traffic at issue in this proceeding.

6. UP admits that it transports chlorine traffic at issue in this proceeding from an interchange with NS in New Orleans, LA, to an interchange with the Port Terminal Railroad Association, which delivers such traffic to the destination at LaPorte.

7. UP admits that prior to March 31, 2011, NS and UP transported the chlorine traffic at issue in this proceeding pursuant to transportation contract NS-C-19551, which was a contract between NS, UP, and SunBelt Chlor Alkali Partnership, and which was also signed by Olin Corporation as Operator for SunBelt Chlor Alkali Partnership. UP further admits that Contract NS-C-19551 expired on March 30, 2011.

8. UP admits the allegations in Paragraph 8.

9. UP admits the allegations in Paragraph 9, except that April 11, 2011 is not ten days after NSRQ 70319 became effective.

10. UP admits the allegations in Paragraph 10, except that UPTF 4955, Item 1000-A was established with an effective date of May 2, 2011.

11. UP responds to this paragraph on its own behalf and makes no response to the allegations that are directed to other defendants. UP admits that it agreed to extensions of NSRQ 70319, that, when SunBelt filed its Complaint, NSRQ 70319 was scheduled to expire on July 29, 2011, and that SunBelt shipped chlorine pursuant to the common carrier tariff rates in NSRQ 70319 before NSRQ 70319 expired.

12. UP responds to this paragraph on its own behalf and makes no response to the allegations that are directed to other defendants. UP admits that on July 22, 2011, UP informed SunBelt that it had established a tariff rate for chlorine applicable for movements from New Orleans, Louisiana, to LaPorte, Texas, effective July 23, 2011, and that it had expired its joint rate with NS in UPTF 4955, Item 1000 for chlorine applicable to movements from McIntosh, Alabama, to LaPorte, Texas.

13. Paragraph 13 consists of SunBelt's characterization of its claims to which no answer is required.

14. UP responds to this paragraph on its own behalf and makes no response to the allegations that are directed to other defendants. The allegations in Paragraph 14 that are directed to UP state a legal conclusion to which no response is required; to the extent a response is required, UP denies the allegations in Paragraph 14.

15. UP responds to this paragraph on its own behalf and makes no response to the allegations that are directed to other defendants. The allegations in Paragraph 15 that are

directed to UP state a legal conclusion to which no response is required; to the extent a response is required, UP denies the allegations in Paragraph 15 because it lacks knowledge or information sufficient to form a belief as to their truth.

16. UP responds to this paragraph on its own behalf and makes no response to the allegations that are directed to other defendants. The allegations in the first sentence of Paragraph 16 that are directed at UP state a legal conclusion to which no response is required; to the extent a response is required, UP denies the allegations. UP avers by way of further response that there is effective competition from other rail carriers for the traffic at issue in this proceeding from New Orleans, Louisiana, to LaPorte, Texas. UP denies the allegation in the second sentence of Paragraph 16 because it lacks knowledge or information sufficient to form a belief as to its truth.

17. Paragraph 17 states a legal conclusion to which no response is required; to the extent a response is required, UP denies the allegations in Paragraph 17.

18. Paragraph 18 states a legal conclusion to which no response is required; to the extent a response is required, UP denies the allegations in Paragraph 18, and specifically denies that SunBelt is entitled to any relief whatsoever.

19. Paragraph 19 states a legal conclusion to which no response is required; to the extent a response is required, UP denies the allegations in Paragraph 19, and specifically denies that SunBelt is entitled to any relief whatsoever.

20. Paragraph 20 states a legal conclusion to which no response is required; to the extent a response is required, UP denies the allegations in Paragraph 20, and specifically denies that SunBelt is entitled to any relief whatsoever.

UP denies that an order granting any relief sought by SunBelt in this proceeding would be appropriate.

WHEREFORE, UP requests that the Complaint be dismissed with prejudice and that no relief of any kind be awarded to SunBelt, that UP be awarded its costs, and that the Board grant UP such other and further relief as may be appropriate.

Respectfully submitted,



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August 15, 2011

CERTIFICATE OF SERVICE

I, Michael L. Rosenthal, certify that on this 15th day of August, 2011, I caused a copy of
Union Pacific's Answer to be served by e-mail and by first-class mail, postage prepaid, on:

Jeffrey O. Moreno
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Michael L. Rosenthal